Recommended Best Practices for Avoiding Computer Software Piracy

The following best practices for avoiding computer software piracy come from an ad hoc committee of CAB members who formulated these recommendations so that state agencies will know how to be in compliance with Executive Order 00-02 on Computer Software Piracy. These practices also apply equally well for meeting compliance standards for typical software license agreements and copyright laws.

In following these recommendations, agencies must determine the appropriate balance between the costs of enforcing compliance and the potential for non-compliance to exist in their respective organization. It may not be practical for smaller organizations to adopt sophisticated business practices for software asset management however, all organizations should follow the spirit of these recommendations to the degree practical for their level of intellectual property use.

Recommendations:

- **Establish, maintain, and educate your organization about your Software Piracy Policy.**

  - ✓ Read the Governor's Executive Order found at:
    http://www.governor.wa.gov/eo/eo_00-02.htm

  - ✓ Review the DIS-provided *Intellectual Property Protection (Computer Software Piracy) Model Policy* and use this model to develop your own organization's policy. The model policy can be found at:
    http://www.wa.gov/dis/portfolio/Model%20Piracy%20Policy.htm

  - ✓ We also recommend that your policy contain a section on disciplinary actions and penalties that may be taken if an employee or an agency contractor violates the policy.

  - ✓ Establish one or more of the following employee awareness programs:
    - Have employees and contractors sign a usage agreement statement that they have read, understood, and agreed to abide by, the agency's policy on software.
    - An employee orientation or training program that educates employees and contractors on the agency's Software Piracy Policy.
    - Regular instruction from supervisors and agency managers to staff and contractors directing them to read and understand the policy.
    - Warnings and reminders about the agency software piracy policy posted on agency bulletin boards, the agency's Intranet, screen savers, etc.

- **Establish software asset management procedures and practices.**

  - ✓ *Set agency software standards and enforce them.* Software standards allow an organization to quickly identify agency sanctioned and non-sanctioned software. Software standards should be published, advertised, and readily available to agency staff.

  - ✓ *Maintain List of Supported Software.* Identify the software supported by the agency. It is suggested that this include the software currently supported, terms of licenses, authorized user numbers, and location of software.

  - ✓ *Establish centralized software acquisition whenever possible.* The committee strongly recommends that all software be purchased through a responsible central purchasing authority. If at all possible, this should be the organization's technology services department.

✓ ***Establish a Software Controller Function.*** This group, position, or role should be established so that there is clear responsibility and authority within the organization for managing software licenses. The individual(s) with this responsibility must have accurate awareness of the organization's software license agreements and software inventory.

Software licenses and agreements can contain many facets and they often require special knowledge to ensure that an agency remains in compliance.

Examples of different types of license agreements include:
- Software licensed to each individual user.
- Software licensed to each computer installation.
- Software licensed for every concurrent user.
- Software licensed based on the size of computer processor.

An answer to the questions of what constitutes acceptable use is often dependent on the type of license. For example, home use may be okay for some products, but not others. You may be able to transfer some software from one computer to another computer, but some software is licensed to a specific computer.

✓ ***Establish accurate software inventories and maintain them.*** Establish a baseline inventory of software already purchased. Maintain this inventory through annual inventory reviews that reconcile purchases against inventory. Acquire and use auditing tools that are available to assist in establishing the inventory baseline and performing the ongoing reconciliation. Some of these tools such as SPAudit from the Software Publishers Association are free, while others such as SMS from Microsoft must be purchased. In addition to these auditing tools there are other enterprise software management tools that provide license metering and software inventory maintenance functionality.

✓ ***Establish and maintain a Software library.*** The library should contain agreements, licenses, and the media containing the software (tapes, disks, CD-ROM. etc.). For software download off the Internet, the license or agreement should be printed and placed in the library.

✓ ***Establish software disposal procedures.*** Software should be disposed of in accordance with the software license agreement. Original Equipment Manufacturer (OEM) software such as operating systems usually cannot be transferred to another computer. Electronic storage media should routinely be wiped clean of content prior to its being surplussed.

✓ ***Perform spot audits.*** Selective audits should be considered if there has been unusual organizational activity such as high employee turnover, large development projects, recent, large scale software conversions, etc. Some vendors require periodic audit checks to ensure your compliance with their license agreements. Internal audit assistance may be available within your agency or you may contract for audit services. GA has a master contract available for audit assistance. Check the contract at: http://www.ga.wa.gov/pca/contract/30400c.doc

- **To further understand software copyright issues and how to combat software piracy in your organization, we recommend that you visit the following web sites:**

  ➢ The Software Information Industry Association (SIIA) at:
  http://www.siia.net/piracy/default.asp

> ➢ The Microsoft piracy site at:
>   http://www.microsoft.com/piracy/

> ➢ The Business Software Alliance site at:
>   http://www.bsa.org/usa/antipiracy/

> ➢ The Better Business Bureau site at:
>   http://www.bbb.org/library/pastip.asp

- **Finally, the committee recommends that when you are in doubt regarding specific issues or problems with licensing, it is important to seek legal counsel.**